

Testimony Before the Senate Utilities Committee  
February 5, 2013  
SB 82

Mr. Chairman and members of the committee, I am pleased to have the opportunity to provide a few observations regarding this bill and the impact of rapidly shifting Government policies on business development. While Federal Government policies have much more influence on businesses than do state policies, rapid, dramatic changes at the state level add to an atmosphere of uncertainty that clearly discourages capital investments and investments in technological advancements. The following are some of the points I hope will be of interest to the committee:

- Kansas wind is an exploitable natural resource and whether and when that happens and how many jobs it creates will be affected by state policies.
- The lack of an energy policy or any consistency at the Federal level creates a chaotic environment for energy investment decisions.
- Consideration of SB 82 and even more drastic policy changes are driven in part by projections regarding conventional energy sources. How good are they? (See Natural Gas Price Graphs)

Conclusions:

- Stable policy has a value in encouraging investment. This is especially true in light of the instability at the Federal level.
- The Kansas renewable generation policies are 90 percent fulfilled and there are "fail-safe" options built into the current law should there be major pricing disruptions.
- Projections of major costs for renewables (wind) above fossil fuels are not supported by long term or short term historical facts.
- Kansas should maintain its current policy.

Thank you for the opportunity to exercise the right to respectful disagreement with the proponents of SB 82.

Dave Kerr